



The American Rescue Plan Act of 2021

Overview of ARPA Funding for Transportation

OFFICE OF LEGISLATIVE RESEARCH AND GENERAL COUNSEL

Transportation Interim Committee

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ARPA Funding

- **The American Rescue Plan Act of 2021 (ARPA)**
 - Congress approved the \$1.9 trillion economic stimulus bill that is aimed at combating the COVID-19 pandemic effects by addressing public health and economic impacts of the pandemic



ARPA Transportation Funding

- **Federal Transit Administration Grants**
 - \$30.46 billion in funding
 - Distributed through several federal programs
 - Generally available for payroll and operations
 - Funds must be obligated by September 30, 2024
- **Coronavirus State and Local Fiscal Recovery Funds**
 - \$350 billion in emergency funding for state, local, territorial, and tribal governments to respond to acute pandemic needs, fill revenue shortfalls, and support communities hardest hit by the pandemic

ARPA Transportation Funding

Federal Transit Administration Grants

Urbanized Area Formula Funding Program (§ 5307)

Rural Formula Program (§ 5311)

Intercity Bus Transportation (§ 5311(f))

Enhanced Mobility of Seniors and Individuals with Disabilities (§ 5310)

Capital Investment Grants (§ 5309)

Competitive Funding for § 5307 and § 5311 Recipients

Competitive Planning Grants for § 5307 and § 5311 Recipients

Coronavirus State Fiscal Recovery Fund

States may use funds to respond to:

a specific pandemic-related public health need;

benefit essential workers by providing premium pay or grants;

a negative economic impact of the pandemic; or

make investments in water, sewer, or broadband infrastructure



Federal Transit Administration Grants

- **Urbanized Area Formula Funding Program (§ 5307)**
 - \$26.1 billion in funding for states and urbanized areas
- **Rural Formula Program (§ 5311)**
 - \$317.2 million in funding for capital, planning, and operation assistance to states to support public transportation in rural areas
- **Intercity Bus Transportation (§ 5311(f))**
 - \$100 million in funding to states to provide grants to bus operators that partner with recipients of rural intercity bus services eligible for funding under § 5311(f)
- **Enhanced Mobility of Seniors and Individuals with Disabilities (§ 5310)**
 - \$50 million in funding to states, local governments, and private entities to improve mobility for seniors and individuals with disabilities

Source: American Rescue Plan Act of 2021 (Pub. L. 117-2, March 11, 2021).



Federal Transit Administration Grants

- **Capital Investment Grants (§ 5309)**
 - \$1.675 billion for capital investments, includes:
 - \$1.425 billion for New Starts and Core Capacity Projects
 - \$250 million for Small Starts Projects (§ 5309(h))
- **Competitive Funding for § 5307 and § 5311 Recipients**
 - \$2.2 billion for program recipients that need additional assistance because of COVID-19 pandemic
- **Competitive Planning Grants under § 5307 and § 5311 Recipients**
 - \$2.2 billion for program recipients that need additional assistance because of COVID-19 pandemic



Coronavirus State and Local Fiscal Recovery Funds

- \$195.3 billion in emergency funding for state governments to respond to acute pandemic needs, fill revenue shortfalls, and support communities hardest hit by the pandemic
- A transportation infrastructure project may be an eligible use if the project responds to a specific pandemic-related public health need or a specific negative economic impact of the pandemic

Source: American Rescue Plan Act of 2021 (Pub. L. 117-2, March 11, 2021); U.S. Department of the Treasury, *Coronavirus State and Local Recovery Funds Frequently Asked Questions*, June 10, 2021, accessed: <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>



What does this mean for Utah?

- ARPA funding through various federal grant programs to support state, tribal, and local government transportation projects
- **Estimated State Fiscal Recovery Funds: \$1.5 billion**
 - The Executive Appropriations Committee allocated \$630 million of the discretionary ARPA funds for revenue replacement, unemployment solvency, and infrastructure.

Source: Utah Office of the Legislative Fiscal Analyst, accessed: <https://le.utah.gov/interim/2021/pdf/00001808.pdf>; Utah State Legislature, Executive Appropriations Committee, May 2021 Meeting Minutes, accessed: <https://le.utah.gov/committee/committee.jsp?year=2021&com=APPEXE>



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